Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Health Care & Wellness Committee

2SSB 5213

Brief Description: Concerning prescription review for medicaid managed care enrollees.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Becker, Tom, Bailey, Honeyford and Frockt).

Brief Summary of Second Substitute Bill

 Requires that contracts with managed health care systems under Medicaid include incentives for pharmacists and primary care providers to provide services to review the appropriateness and effectiveness of drugs for patients with five or more medications for two or more chronic conditions.

Hearing Date: 3/19/13

Staff: Chris Blake (786-7392).

Background:

The Health Care Authority (Authority) administers the state's Medicaid program which provides health care for eligible low-income residents. The Authority purchases health care services either on a fee-for-service basis or under a managed care arrangement. In a fee-for-service system, health care providers are paid by the Authority for each service that is delivered to an eligible client. Under a managed care program, the Authority contracts with a health care plan to provide a comprehensive set of medical care services to Medicaid enrollees pursuant to a capitated monthly premium for each covered individual. Managed care is currently provided for eligible families, children under age 19, pregnant women, and certain blind or disabled individuals.

In contracts with managed health care systems providing services to recipients of Temporary Assistance for Needy Families, the Authority's contracts must include several specified arrangements. These provisions relate to: (1) standards for the quality of services; (2) financial integrity; (3) provider reimbursement methods that incentivize chronic care management within

House Bill Analysis - 1 - 2SSB 5213

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health homes; (4) provider reimbursement methods that reward health homes that use chronic care management to reduce emergency department and inpatient use; and (5) the promotion of provider participation in the Department of Health's training program for caring for people with chronic conditions. The Authority may apply these provisions to contracts with managed health care systems for other Medicaid eligibility categories.

Summary of Bill:

The Health Care Authority (Authority) must include in its Medicaid contracts with managed health care systems providing services to recipients of Temporary Assistance for Needy Families a provision regarding reimbursement methods to incentivize pharmacists and primary care providers to provide comprehensive medication management services. The comprehensive medication management services provisions must be included in contracts issued or renewed after January 1, 2014. The Authority may apply this provision to contracts with managed health care systems for other Medicaid eligibility categories.

The term "comprehensive medication management services" is defined as the provision of specified services by pharmacists or primary care providers for patients taking five or more medications for two or more chronic medical conditions. The services to be provided include: (1) assessing a patient's health status; (2) documenting the patient's current clinical health status and clinical goals of therapy; (3) assessing each medication for appropriateness, effectiveness, safety, and adherence; (4) identifying all drug therapy problems; (5) developing a comprehensive medication therapy plan; and (6) developing and following up on the effects of recommended drug therapy changes.

Appropriation: None.

Fiscal Note: Requested on March 13, 2013.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

House Bill Analysis - 2 - 2SSB 5213